

Highlights

Revenues:

Listed below is a summary chart of the major General Fund revenue estimates.

Major General Fund Revenues

	2010-11 Actual	2011-12 Budget	2012-13 Adopted	2013-14 Projected
<i>Property Tax</i>	142,098,368	143,100,970	145,435,500	151,914,300
<i>Sales Tax</i>	36,766,758	37,268,480	38,742,795	39,800,315
<i>State Collected Local Revenues</i>	19,765,819	20,111,503	20,231,658	20,672,458
<i>ABC Profit Distribution</i>	2,442,996	2,731,200	3,000,000	3,027,580
<i>Building Permit Revenue</i>	1,863,029	1,828,148	2,040,000	2,090,125
<i>All Other</i>	34,512,815	33,895,821	32,842,089	31,917,932
<i>Transfers from Other Funds</i>	9,370,639	8,169,271	6,619,178	6,336,998
<i>Appropriated Fund Balance</i>	7,571,109	2,784,843	4,675,905	4,249,340
<i>Total</i>	254,391,533	249,890,236	253,587,125	260,009,048

Property Tax

The Adopted FY 12-13 General Fund Budget is balanced with a 58.97 cent tax rate, 0.21 cents less than the adopted rate for FY 11-12.

Tax base growth is projected at 1.23% for FY 12-13, based on projections provided by the Guilford County Tax Department. FY 12-13 includes the impacts from the 2012 county revaluation of property. The revaluation takes place every eight years. For the 13-14 planning year, valuation growth is projected at 1.5%.

The second year General Fund budget is balanced with a 60.97 cent tax rate, the equivalent of a two cent rate increase over the adopted rate for FY 12-13.

Sales Tax

Budgeted sales tax revenue, including revenue from the rental vehicle gross receipts tax, in-

creases from \$37.27 million to \$38.74 million, an increase of about 4%. The current year estimate for sales tax is \$38.0 million, so the budgeted increase over the current year estimate is about 2%.

Guilford County uses a distribution method based on total ad valorem tax levy of each jurisdiction to distribute sales tax revenue. Greensboro's percentage of total tax levy value is expected to fall a full percentage point for FY 12-13 due to tax rate increases implemented by Guilford County and the City of High Point in FY 11-12. This results in an estimated loss of sales tax revenue for Greensboro of \$1.25 million in FY 12-13, which is factored in the overall estimates for next year.

State Collected Local Revenues/Cable Access

State collected local revenues include Utility and Franchise Taxes and Beer and Wine Taxes. These are traditional local government revenues



which the State of North Carolina collects for local governments. The budget figures show only a slight \$120,000 increase over the current year budget but about a 3% increase over the revised current year estimates for the various revenues in this category.

Electric and natural gas revenues are projected to be below budget in the current year as the mild 2012 winter lowered energy consumption and associated utility revenues. Electric Utility Franchise and Piped Natural Gas Excise Tax payments combined were budgeted at \$11.1 million in FY 11-12 but are projecting to reach only about \$10.6 million. Some rebound growth is expected for FY 12-13, with the combined budget for these two revenues estimated at \$11.0 million.

Effective January 1, 2007, the State eliminated local franchising authority on cable services and repealed local franchise taxes, replacing them with a state sales tax. Local governments will receive a share of the state sales tax on video programming, telecommunications and satellite television services. As these revenues are now considered to be state shared revenues, they are captured in the State Collected Local Revenue category. FY 12-13 projections for these revenues combined are \$3.39 million, about 2% greater than the current year estimates.

ABC Profit Distribution

The Greensboro ABC Board distributes its net profits (after deducting amounts required for law enforcement, education and working capital) as follows: 91.75% is distributed to Greensboro with the remaining 8.25% distributed among Guilford County and municipalities without ABC outlets. Revenues of \$3 million are estimated for FY 12-13, which is about 2.5% higher than the current year estimate.

Building Development Fees

After several years of declining revenue, building development fee revenue, such as building permit fees, began showing a turn around in FY 10-11 which has continued into FY 11-12. Permit revenue is estimated at \$1.91 million for the current year, slightly ahead of FY 10-11 actuals of \$1.86 million. Revenues for FY 12-13 are projected at just over \$2 million, or a growth rate of about 6%.

Other Revenues

Other revenues in the General Fund include departmental charges, user fees, fines, licenses and other miscellaneous revenues. These revenues are estimated at \$32.8 million, about \$1 million below the current year budget. Admissions and Charges revenue, generated chiefly through programming at parks and recreation facilities, is budgeted at \$1.69 million, about \$380,000 below current year budget. Estimates for the current year are about \$1.85 million. Revenue from the contracted operation of county owned Bur Mill Park is reduced from \$332,000 to \$200,000. The City's contract with the County for operating both Bur Mill Park and Hagan Stone Park will end as of January 1 2013.

The contribution from Guilford County for library support is budgeted at \$1,357,000, based on published reports of planned county support for the library system. This represents about a \$90,000 reduction from the current year.

Transfers from Other Funds

The General Fund typically receives transfers from Special Revenue Funds which have been established to account for specific revenue sources received by the City. The transfer from the State Highway Gasoline Tax Fund (Powell Bill) is budgeted at \$5.74 million to offset a variety of eligible transportation expenses budgeted in the General Fund. The General Fund will receive contributions from several funds to help balance the FY 12-13 budget, including the Parking Operations Fund (\$220,998), the Technical Services Fund (\$162,900) and the Network Services Fund (\$119,280). Combined, however, these interfund transfers are still about \$1.5 million less than the transfer amounts used to balance the FY 11-12 budget.

Fund Balance

The fund balance appropriation for the FY 12-13 Budget is \$4.67 million, or 1.85%, of the total budget. This appropriation level is higher than the current year but is necessary to balance the budget without requiring additional revenues or service reductions. This does not include additional fund balance appropriations that will be necessary to carry forward outstanding purchase orders at the end of FY 11-12.